

ENTERED

**CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON**

ANNUAL FINANCIAL REPORT

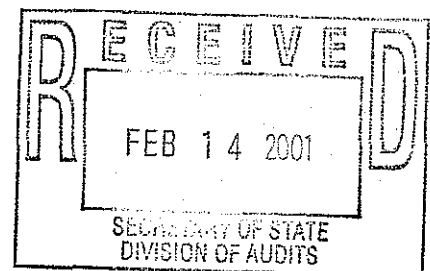
For the year ended June 30, 2000

ENTERED

B1002902142001 pd-250



**GREGOR PROFESSIONAL
CORPORATION**



MUNICIPAL AUDIT REPORTS
CHECK LIST

INITIAL

Report	<u>KM</u>
Summary Attached	<u>BG</u>
Fee Noted	<u>B (P)</u>
Checked for Signature	<u>KM</u>
Contract on File	<u> </u>
Names/Addresses of Officials	<u>KM</u>
Checked for Registered Agent	<u>N/A</u>
Checked for Registered Address	<u>N/A</u>
Logged on Computer	<u>BG</u>

02-16-01
Date.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

June 30, 2000

MAYOR AND COUNCILPERSONS

<u>Name/Address</u>	<u>Position</u>	<u>Term Expires</u>
Theresa Syphers 213 13th Street Lafayette, Oregon 97127	Mayor	December 31, 2000
Jackie Carpenter 818 Ninth Court Lafayette, Oregon 97127	Councilperson	December 31, 2002
Ron Harris 1282 Third Street, Number 1 Lafayette, Oregon 97127	Councilperson	December 31, 2000
Bob Cullen 474 Monroe Street Lafayette, Oregon 97127	Councilperson	December 31, 2000
Terry Yarbrough 717 Jefferson Street Lafayette, Oregon 97127	Councilperson	December 31, 2002
John Miller 231 Jefferson Street Lafayette, Oregon 97127	Councilperson	December 31, 2000
Russell Kappes 1282 Third Street Lafayette, Oregon 97127	Councilperson	December 31, 2002

ADMINISTRATION

Position vacant	City Administrator/ Recorder
Phil Lieberman 486 Third Street Post Office Box 55 Lafayette, Oregon 97127 (503) 864-2451	Budget and Finance Manager
Paul Elsner Beery & Elsner LLP 1750 S.W. Harbor Way, Suite 250 Portland, Oregon 97201-5164	City Attorney

**CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON**

ANNUAL FINANCIAL REPORT

For the year ended June 30, 2000

TABLE OF CONTENTS

	Page
REPORT OF INDEPENDENT AUDITORS	
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined Balance Sheet - All Fund Types and Account Groups	1-2
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types - Budget and Actual	4-5
Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types	6
Combined Statement of Cash Flows - All Proprietary Fund Types	7
Notes to the Financial Statements	8-22
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:	
GENERAL FUND:	
Comparative Balance Sheet	23
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	24
Statement of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual	25
Schedule of Revenues - Budget and Actual	26
Schedule of Expenditures - Budget and Actual	27-30

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ANNUAL FINANCIAL REPORT

For the year ended June 30, 2000

TABLE OF CONTENTS
(Continued)

	Page
SPECIAL REVENUE FUNDS:	
Combining Balance Sheet	31-32
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	33-34
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Street Fund	35
Street Capital Projects Fund	36
Street SDC Fund	37
Law Enforcement Fund	38
Heritage Days Fund	39
Parks SDC Fund	40
Fire Department Fund	41
Fire Equipment Reserve Fund	42
Community Facilities Fund	43
City Hall Building Fund	44
ENTERPRISE FUNDS:	
Combining Balance Sheet - All Enterprise Funds	45-46
Combining Statement of Revenues, Expenses and Changes in Retained Earnings - All Enterprise Funds	47-48
Combining Statement of Cash Flows - All Enterprise Funds	49-50
Statement of Revenues, Expenses and Changes in Fund Balance - Budget and Actual:	
Water Fund	51
Water Improvement Fund	52
Water SDC Fund	53
Water Conservation Fund	54
Sewer Fund	55
Sewer Improvement Fund	56
Sewer Plant Improvement Fund	57
Sewer SDC Fund	58

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ANNUAL FINANCIAL REPORT

For the year ended June 30, 2000

TABLE OF CONTENTS
(Continued)

	Page
AGENCY FUND:	
Statement of Changes in Assets and Liabilities	59
OTHER SCHEDULES:	
Schedule of Property Tax Transactions	60
Schedule of Bonded or Long-Term Debt Transactions	61
Schedule of Future Requirements for Retirement of Bonded or Long-Term Debt:	
By Issue	62
By Fund	63
COMMENTS OF THE INDEPENDENT ACCOUNTANTS REQUIRED BY THE STATE OF OREGON	64-65

CITIZENS BUILDING
975 OAK STREET
SUITE 1010
EUGENE, OREGON 97401-3124



GREGOR PROFESSIONAL
C O R P O R A T I O N

Telephone (541) 686-8777
Facsimile (541) 686-8779
E-mail: gpccpa@attglobal.net

REPORT OF INDEPENDENT AUDITORS

Honorable Mayor and City Council
City of Lafayette
486 Third Street
Lafayette, Oregon 97127


We have audited the accompanying general purpose financial statements of the City of Lafayette, Oregon, as of and for the year ended June 30, 2000, as listed in the table of contents. These financial statements are the responsibility of the management of the City. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Lafayette, Oregon, at June 30, 2000, and the results of its operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying combining and individual fund statements and schedules and the financial information listed as other schedules in the table of contents are presented for purposes of additional analysis and are not required parts of the general purpose financial statements of the City of Lafayette, Oregon. This information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

GREGOR PROFESSIONAL CORPORATION
Certified Public Accountants

By 
John Gregor, President

Eugene, Oregon
November 3, 2000

THIS PAGE INTENTIONALLY LEFT BLANK

GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL FUND TYPES AND ACCOUNT GROUPS

COMBINED BALANCE SHEET

June 30, 2000

(With comparative totals as of June 30, 1999)

	Governmental Fund Types	
	General	Special Revenue
ASSETS AND OTHER DEBITS		
Cash and cash equivalents	67,105	118,475
Accounts receivable	8,135	17,311
Property taxes receivable	15,911	-
Due from other funds	-	-
Fixed assets(net of depreciation where applicable)	-	-
Other debits:		
Amount to be provided for compensated absences	-	-
Amount to be provided for retirement of general long term debt	-	-
Total assets and other debits	\$ 91,151	\$ 135,786
LIABILITIES, FUND EQUITY AND OTHER CREDITS		
Liabilities:		
Accounts payable	17,668	40,144
Accrued payroll taxes and related liabilities	-	-
Customer deposits	7,040	-
Deferred revenues	9,758	-
Compensated absences payable	-	-
Due to other funds	-	-
Due to other organizations	-	-
Lease payable	-	-
Note payable	-	-
Total liabilities	34,466	40,144
Fund Equity and other credits:		
Contributed capital	-	-
Investment in fixed assets	-	-
Retained earnings	-	-
Fund balance:		
Reserved	-	-
Unreserved	56,685	95,642
Total fund equity and other credits	56,685	95,642
Total liabilities, fund equity and other credits	\$ 91,151	\$ 135,786

Continued

Continued

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)	
Enterprise	Agency	General Fixed Assets	General Long term Debt	2000	1999
585,196	6,648	-	-	777,424	791,802
63,244	-	-	-	88,690	64,948
-	-	-	-	15,911	14,445
-	-	-	-	-	44,740
2,320,048	-	708,731	-	3,028,779	2,320,839
-	-	-	4,795	4,795	7,380
-	-	-	251,520	251,520	147,521
<u>\$ 2,968,488</u>	<u>\$ 6,648</u>	<u>\$ 708,731</u>	<u>\$ 256,315</u>	<u>\$ 4,167,119</u>	<u>\$ 3,391,675</u>
15,477	-	-	-	73,289	150,313
-	-	-	-	-	16,779
6,003	-	-	-	13,043	12,126
-	-	-	-	9,758	8,590
7,416	-	-	4,795	12,211	12,478
-	-	-	-	-	44,740
-	6,648	-	-	6,648	7,291
-	-	-	133,703	133,703	147,521
20,033	-	-	117,817	137,850	79,257
<u>48,929</u>	<u>6,648</u>	<u>-</u>	<u>256,315</u>	<u>386,502</u>	<u>479,095</u>
1,478,493	-	-	-	1,478,493	1,158,604
-	-	708,731	-	708,731	585,324
1,441,066	-	-	-	1,441,066	908,735
-	-	-	-	-	-
-	-	-	-	152,327	259,917
<u>2,919,559</u>	<u>-</u>	<u>708,731</u>	<u>-</u>	<u>3,780,617</u>	<u>2,912,580</u>
<u>\$ 2,968,488</u>	<u>\$ 6,648</u>	<u>\$ 708,731</u>	<u>\$ 256,315</u>	<u>\$ 4,167,119</u>	<u>\$ 3,391,675</u>

The accompanying notes are an integral part of this statement

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF LAFAYETTE

YAMHILL COUNTY, OREGON

ALL GOVERNMENTAL FUND TYPES

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2000
(With comparative totals for the year ended June 30, 1999)

			Totals (Memorandum only)	
	General Fund	Special Revenue Fund	2000	1999
REVENUES:				
Taxes	194,122	-	194,122	184,430
Licenses, fees and permits	132,091	-	132,091	107,010
Intergovernmental revenues	60,541	111,790	172,331	127,357
Interest revenue	3,475	6,349	9,824	20,602
System development charges	-	6,596	6,596	18,541
Miscellaneous revenues	4,413	11,335	15,748	37,822
Total revenues	394,642	136,070	530,712	495,762
EXPENDITURES:				
General government	217,614	-	217,614	189,689
Highways and streets	-	66,942	66,942	76,887
Public safety	163,596	3,999	167,595	208,157
Community development	10,725	4,380	15,105	41,209
Capital outlay	25,490	124,987	150,477	111,942
Debt service	-	33,569	33,569	-
Total expenditures	417,425	233,877	651,302	627,884
Excess of revenues over (under) expenditures	(22,783)	(97,807)	(120,590)	(132,122)
OTHER FINANCING SOURCES (USES):				
Operating transfers in	-	105,000	105,000	51,000
Operating transfers (out)	(35,000)	(57,000)	(92,000)	(51,000)
Excess of revenues and other sources over (under) expenditures and other uses	(57,783)	(49,807)	(107,590)	(132,122)
FUND BALANCE - July 1	71,066	188,851	259,917	392,039
Residual equity transfers	43,402	(43,402)	-	-
FUND BALANCE - June 30	\$ 56,685	\$ 95,642	\$ 152,327	\$ 259,917

The accompanying notes are and integral part of this statement

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL GOVERNMENTAL FUND TYPES

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	184,440	194,122	9,682
Licenses, fees and permits	165,300	132,091	(33,209)
Intergovernmental revenues	55,611	60,541	4,930
Interest revenue	4,000	3,475	(525)
System development charges	-	-	-
Miscellaneous revenues	5,400	4,413	(987)
Total revenues	414,751	394,642	(20,109)
EXPENDITURES:			
General government	243,081	217,614	25,467
Highways and streets	-	-	-
Public safety	182,750	163,596	19,154
Community development	14,420	10,725	3,695
Capital outlay	57,500	25,490	32,010
Debt service	-	-	-
Total expenditures	497,751	417,425	80,326
Excess of revenues over (under) expenditures	(83,000)	(22,783)	60,217
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers (out)	(31,000)	(35,000)	4,000
Excess of revenues and other sources over (under) expenditures and other uses	(114,000)	(57,783)	56,217
FUND BALANCES - July 1	114,000	71,066	(42,934)
Residual equity transfers	-	43,402	43,402
FUND BALANCES - June 30	\$ -	\$ 56,685	\$ 56,685

Continued

Continued

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
-	-	-	184,440	194,122	9,682
-	-	-	165,300	132,091	(33,209)
288,650	111,790	(176,860)	344,261	172,331	(171,930)
4,950	6,349	1,399	8,950	9,824	874
20,000	6,596	(13,404)	20,000	6,596	(13,404)
8,550	11,335	2,785	13,950	15,748	1,798
<u>322,150</u>	<u>136,070</u>	<u>(186,080)</u>	<u>736,901</u>	<u>530,712</u>	<u>(206,189)</u>
-	-	-	243,081	217,614	25,467
71,700	66,942	4,758	71,700	66,942	4,758
1,168	3,999	(2,831)	183,918	167,595	16,323
7,819	4,380	3,439	22,239	15,105	7,134
457,585	124,987	332,598	515,085	150,477	364,608
33,634	33,569	65	33,634	33,569	65
<u>571,906</u>	<u>233,877</u>	<u>338,029</u>	<u>1,069,657</u>	<u>651,302</u>	<u>418,355</u>
(249,756)	(97,807)	151,949	(332,756)	(120,590)	212,166
101,000	105,000	4,000	101,000	105,000	4,000
(57,000)	(57,000)	-	(88,000)	(92,000)	(4,000)
(205,756)	(49,807)	155,949	(319,756)	(107,590)	212,166
205,756	188,851	(16,905)	319,756	259,917	(59,839)
-	(43,402)	(43,402)	-	-	-
<u>\$ -</u>	<u>\$ 95,642</u>	<u>\$ 95,642</u>	<u>\$ -</u>	<u>\$ 152,327</u>	<u>\$ 152,327</u>

The accompanying notes are an integral part of this statement

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL PROPRIETARY FUND TYPES

COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS

For the Year Ended June 30, 2000
(With comparative totals for the year ended June 30, 1999)

	2000	1999
REVENUES:		
Charges for services	642,701	518,094
Connection charges	21,754	-
Total operating revenues	<u>664,455</u>	<u>518,094</u>
EXPENSES:		
Personal services	307,416	242,161
Materials and services	198,395	144,182
Depreciation	69,852	58,450
Total operating expenses	<u>575,663</u>	<u>444,793</u>
Operating income (loss)	<u>88,792</u>	<u>73,301</u>
NON-OPERATING REVENUES (EXPENSES):		
Interest income	36,878	17,659
Interest expense	(4,439)	-
Gain/(loss) from sale of fixed assets	5,440	-
Other revenue	633,496	266,416
Total non-operating revenues (expenses)	<u>671,375</u>	<u>284,075</u>
Income (loss) before operating transfers	760,167	357,376
OPERATING TRANSFERS:		
Operating transfers in	318,000	80,000
Operating transfers out	<u>(331,000)</u>	<u>(80,000)</u>
Net income (loss)	<u>747,167</u>	<u>357,376</u>
RETAINED EARNINGS - July 1	908,735	551,359
Prior period adjustment	<u>(214,836)</u>	<u>-</u>
RETAINED EARNINGS - July 1, restated	<u>693,899</u>	<u>551,359</u>
RETAINED EARNINGS - June 30	<u>\$ 1,441,066</u>	<u>\$ 908,735</u>

The accompanying notes are an integral part of this statement

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL PROPRIETARY FUND TYPES

COMBINED STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2000
(With comparative totals for the year ended June 30, 1999)

	2000	1999
Cash flows from operating activities:		
Operating income	88,792	73,301
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	69,852	58,450
(Increase) decrease in due from other funds	44,740	(28,340)
(Increase) decrease in receivables	(23,999)	3,583
(Increase) decrease in prepaids	-	-
Increase (decrease) in accounts payable	(29,058)	18,150
Increase (decrease) in customer deposits	(83)	1,990
Increase (decrease) in compensated absences	2,318	1,186
Increase (decrease) due to other funds	(44,740)	28,340
Net cash provided by operating activities	<u>107,822</u>	<u>156,660</u>
Cash flows from noncapital financing activities:		
Operating transfers-in from other funds	318,000	80,000
Operating transfers-out to other funds	(331,000)	(80,000)
Miscellaneous	633,496	266,416
System development charges	<u>105,053</u>	<u>66,414</u>
Net cash provided by noncapital financing activities	<u>725,549</u>	<u>332,830</u>
Cash flows from capital and related financing activities:		
Acquisition of fixed assets	(660,136)	(440,582)
Proceeds from sales of fixed assets	11,190	-
Note proceeds	-	(526)
Payment of note principal	<u>(59,224)</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(708,170)</u>	<u>(441,108)</u>
Cash flows from investing activities:		
Interest income	36,878	17,659
Interest expense	<u>(4,439)</u>	<u>-</u>
Net cash provided by investing activities	<u>32,439</u>	<u>17,659</u>
Net increase in cash and cash equivalents	157,640	66,041
Cash and cash equivalents, July 1	<u>427,556</u>	<u>361,515</u>
Cash and cash equivalents, June 30	<u>\$ 585,196</u>	<u>\$ 427,556</u>

The accompanying notes are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 1 - Summary of Significant Accounting Policies

The general purpose financial statements of the City of Lafayette, Oregon, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies of the City are described below.

A. REPORTING ENTITY

The City of Lafayette was established in 1878 and operates under the charter granted by the State of Oregon. The charter adopted in 1984 superseded the charter enacted in 1958. The government of the City of Lafayette constitutes a Mayor and a City Council, composed of six council members elected at large.

The City of Lafayette is a primary government. A primary government is financially accountable for the organizations (component units) that make up its legal entity. The City has considered all organizations for which the City is financially accountable in preparing these financial statements. Financial accountability may be evidenced by the ability to appoint the voting majority of the governing body, and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific burdens on, the primary government; or a fiscal dependency or intergovernmental relationship so close that exclusion from the primary government would render the financial statements incomplete or misleading. The City has determined that there are no component units required to be included in the financial statements.

B. FUND ACCOUNTING

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

**CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON**

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 1 - Summary of Significant Accounting Policies (continued)

B. FUND ACCOUNTING (continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of others.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are account for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds, nonexpendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, special assessments, licenses, interest revenue, and charges for services. Taxes and other revenues collected and held by the State at year end on behalf of the City also are recognized as revenue. Fines, permits and parking meter revenues are not susceptible to accrual because generally they are not measurable until received in cash.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 1 - Summary of Significant Accounting Policies (continued)

C. BASIS OF ACCOUNTING (continued)

The accrual basis of accounting is utilized by proprietary fund types, pension trust funds, and nonexpendable trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. For proprietary funds, the City applies all applicable Government Accounting Standards Board (GASB) guidance as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting.

D. CASH AND CASH EQUIVALENTS

The City maintains a cash and investment pool that is available for use by all funds. Interest earned on pooled investments is allocated to funds based on the pro rata amount each fund has in the pool. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and cash equivalents.

The cash and cash equivalents include petty cash and change funds, demand deposits held by financial institutions and deposits with the Local Government Investment Pool of the Oregon Short-Term Fund, which is managed by the State Treasurer's office. The Local Government Investment Pool is managed in accordance with the "prudent person rule" and administrative regulations of the State Treasurer, which may change from time to time. Eligible investments include U.S. Treasury obligations and Agency securities, bankers' acceptances, high grade commercial paper, and repurchase agreements, all subject to certain size and maturity limitations. The pool has the general characteristics of a demand deposit account in that investors may deposit additional cash at any time and may withdraw cash at any time without prior notice or penalty. The District reports the fair value of the position in the pool as the same as the value of the pool shares.

E. RECEIVABLES

Receivables are recorded on the combined balance sheet in accordance with the policies enumerated in paragraph C above. The City has not recorded an allowance for uncollectible accounts as such an amount is considered to be immaterial to the general purpose financial statements, taken as a whole.

F. DUE FROM/TO OTHER FUNDS

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the combined balance sheet.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 1 - Summary of Significant Accounting Policies (continued)

G. FIXED ASSETS

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated fixed assets are valued at estimated fair market value on the date received. Upon disposal, the historical cost is removed from the General Fixed Assets Account Group and proceeds from any sales are generally recorded as revenue in the funds originally acquiring the assets. Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the City. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest incurred during construction is not capitalized on general fixed assets. Assets in the general fixed assets account group are not depreciated.

Property, plant and equipment in the proprietary funds are recorded at cost. Donations to these proprietary fund type operations are recorded at their estimated fair value at the date of donation. Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized in the proprietary funds.

Property, plant and equipment are depreciated in the proprietary funds of the City using the straight-line method over the useful lives of the assets ranging from five to fifty years.

H. DEFERRED REVENUE

Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 1 - Summary of Significant Accounting Policies (continued)

I. COMPENSATED ABSENCES

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

J. LONG-TERM OBLIGATIONS

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

K. FUND EQUITY

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Reservations of retained earnings are limited to outside third-party restrictions. Designated fund balances represent tentative plans for future use of financial resources that are subject to change.

L. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 1 - Summary of Significant Accounting Policies (continued)

M. TOTAL COLUMNS ON COMBINED FINANCIAL STATEMENTS

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

N. COMPARATIVE DATA

Comparative totals for the prior year have been presented in some of the financial statements in order to provide an understanding of changes in the financial position and operations of the City. However comparative data have not been presented in all statements because including them would make certain statements unduly complex and difficult to understand.

O. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Stewardship, Compliance, and Accountability

A. BUDGETARY COMPLIANCE

Budgets are prepared annually for all funds in accordance with Oregon Local Budget Law. Budgets are adopted on a basis consistent with generally accepted accounting principles. The City does not use encumbrance accounting. All annual appropriations lapse at fiscal year end.

On or before June 30 of each year, the City enacts a resolution approving the budget, appropriating the expenditures, and levying the property taxes. Prior to enacting this resolution, the proposed budget is presented to a budget committee consisting of members the City Council and a like number of interested citizens. The budget committee presents the budget to the City Council for budget hearings prior to enactment of the resolution.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 2 - Stewardship, Compliance, and Accountability (continued)

A. BUDGETARY COMPLIANCE (continued)

The budget is prepared by fund, department, activity, and line, and includes information of the past year, current year estimates, and requested appropriations for the next fiscal year. Expenditures may not exceed legally budgeted appropriations at the level of each department of the General Fund or at the level of personal services, materials and services, capital outlay, debt service and transfers for each fund. The City Council can, by resolution, transfer appropriations between existing appropriation categories and increase appropriations to allow expenditure of unexpected revenues during the year. Management may transfer appropriations within an appropriation category. Budget figures included in the financial statements include the original budget and approved increases and transfers.

Excess of expenditures over budget appropriations for the year ended June 30, 2000 were as follows:

Fund	Department/Category	Amount
General	Transfers	\$4,000
Special Revenue - Street Capital Projects	Materials and Services	4,370
Special Revenue - Street SDC	Materials and Services	1,093
Special Revenue - Street SDC	Capital Outlay	10,544
Special Revenue - Heritage Days	Materials and Services	2,831
Special Revenue - Parks SDC	Materials and Services	148
Special Revenue - City Hall Building	Capital Outlay	2,636
Enterprise - Water	Personal Services	829
Enterprise - Water	Capital Outlay	20,729
Enterprise - Water	Transfers	8,000
Enterprise - Water Improvement	Debt Service	89,439
Enterprise - Sewer SDC	Materials and Services	8,596

B. PROPERTY TAXES

In May of 1997, the voters in the State of Oregon approved passage of a measure establishing a permanent tax rate of \$3.4849 per \$1,000 of assessed value for all taxable property within the City limits. For the year ended June 30, 2000, the City's levy did not exceed the Oregon constitutional limitation.

Yamhill County makes all assessments of property value, and levies and collects the taxes for the City and all other taxing districts within the County. Assessments of property values are as of July 1, and taxes levied attach as a lien on the property as of that date. Taxes are due November 15 and a 3% discount is allowed for payment at this time. Installments due dates allowed are November 15, February 15, and May 15.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 3 - Cash and cash equivalents

The fair value of cash and cash equivalents consisted of the following as of June 30, 2000:

Petty cash	225
Deposits with financial institutions	30,627
Local Government Investment Pool	<u>746,572</u>
Total	<u>\$777,424</u>

At year end, the carrying amount of the City's bank deposits was \$30,627 and the bank balance was \$57,090, all of which was covered by federal depositary insurance. The investment in the Oregon Local Government Investment Pool is not subject to risk categorization.

Note 4 - Fixed Assets

A. CHANGES IN GENERAL FIXED ASSETS

Activity in the general fixed asset account group for the year ended June 30, 2000 was as follows:

	Balance <u>July 1, 1999</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2000</u>
Land and Improvements	103,481	111,246	0	214,727
Buildings	67,139	0	0	67,139
Vehicles	288,811	41,132	20,000	309,943
Equipment	98,543	18,379	0	116,922
Construction in progress	<u>27,350</u>	<u>0</u>	<u>27,350</u>	<u>0</u>
Total	<u>\$585,324</u>	<u>\$170,757</u>	<u>\$47,350</u>	<u>\$708,731</u>

B. SUMMARY OF ENTERPRISE FUNDS FIXED ASSETS

The composition of fixed assets in the enterprise funds at June 30, 2000 was as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Land and improvements	87,562	41,198	128,760
Buildings	19,296	31,570	50,866
Water and sewer facilities	1,666,806	701,474	2,368,280
Equipment and vehicles	47,751	44,131	91,882
Construction in progress	<u>616,836</u>	<u>39,491</u>	<u>656,327</u>
Total	2,438,251	857,864	3,296,115
Accumulated depreciation	<u>(543,843)</u>	<u>(432,224)</u>	<u>(976,067)</u>
Net assets	<u>\$1,894,408</u>	<u>\$425,640</u>	<u>\$2,320,048</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 5 – Long Term Debt

A. COMPENSATED ABSENCES

Vacation pay and compensatory time is vested when earned and recorded as an expenditure in governmental funds when it is paid and in proprietary funds when it is earned. At June 30, 2000, the City's liability for vacation pay and compensatory time consisted of the following:

General Long Term Debt Account Group	4,795
Water fund	4,160
Sewer fund	3,256
Total	<u>\$12,211</u>

Sick leave can be taken only in the event of illness. Sick leave does not vest and is recorded as an expenditure when used. Accumulated sick leave at June 30, 2000 was \$14,413.

B. CAPITAL LEASES

Assets acquired through capital leases are included in the General Fixed Assets Account Group as follows:

Vehicles	\$165,678
Equipment	19,161

In November 1996 the City entered into a capital lease/purchase contract with Mine Safety Appliances Company for the purchase of a self-contained breathing apparatus to be used for fire fighting purposes. In September 1998 the City acquired a fire truck through a lease agreement with Banc One Leasing Corporation.

As of June 30, 2000, the future minimum lease obligations and the net present value of these minimum lease payments are as follows:

<u>Fiscal Year Ended June 30,</u>	
2001	22,261
2002	22,260
2003	18,282
2004	18,282
2005	18,282
2006-09	<u>73,128</u>
Total minimum lease payments	172,495
Less amounts representing interest	<u>(38,792)</u>
Present value of minimum lease payments	<u>\$133,703</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 5 – Long Term Debt (continued)

C. ENTERPRISE FUND NOTE PAYABLE

In August 1995, pursuant to Chapter 190 of Oregon revised Statutes, the City entered into an intergovernmental agreement with the City of Dayton to jointly develop well fields and a transmission main from those fields to each City. Title to the property is held by the City of Dayton and the City of Lafayette as tenants in common. The total capital outlay expenditures on this project have been classified as Joint Water Project in the Water Improvement Fund.

As of June 30, 2000, the City owes \$20,033 including accrued interest to the City of Dayton for the joint water project. There is no fixed repayment plan. The interest on the outstanding balance accrues at the prevalent Local Government Investment Pool rate.

D. GENERAL LONG-TERM DEBT NOTE PAYABLE

In July 1999 the City financed the purchase of property for a new City Hall site. The note calls for monthly payments of \$944 per month including interest of 8.75%. The balance due as of June 30, 2000, was \$117,817.

Debt service requirements to maturity for the note, including interest of \$183,304, are as follows:

<u>Fiscal Year Ended June 30,</u>	
2001	14,408
2002	11,328
2003	11,328
2004	11,328
2005	11,328
2006-09	<u>241,401</u>
Total	<u>\$301,121</u>

E. CHANGES IN GENERAL LONG-TERM LIABILITIES

Activity in the general long-term debt account group for the year ended June 30, 2000, was as follows:

	Balance July 1, 1999	Additions	Deletions	Balance June 30, 2000
Compensated absences	7,380	0	2,585	4,795
Capital leases	147,521	0	13,818	133,703
Note payable	<u>0</u>	<u>120,000</u>	<u>2,183</u>	<u>117,817</u>
Total	<u>\$154,901</u>	<u>\$120,000</u>	<u>\$18,586</u>	<u>\$256,315</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 6 – Operating Leases

The City leases a Mita copier under a month to month operating lease. Total costs for the lease was \$25,776 for the year ending June 30, 2000. Future annual lease payments of \$25,776 are required for the term that ends in 2002.

Note 7 – Changes in Contributed Capital and Prior Period Adjustment

The changes in the contributed capital in the enterprise funds for the year ended June 30, 2000 were as follows:

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Balance July 1, 1999	810,574	348,030	1,158,604
Prior year adjustment	214,836		214,836
Current year grants received	<u>105,053</u>	<u>0</u>	<u>105,053</u>
Balance June 30, 2000	<u>\$1,130,463</u>	<u>\$348,030</u>	<u>\$1,478,493</u>

A prior period adjustment was necessary during the year ended June 30, 2000, to reclassify to contributed capital a capital grant received during the year ended June 30, 1999.

Note 8 - Pension Plan

A. PLAN DESCRIPTION

The City of Lafayette, Oregon, participates in the State of Oregon Public Employees Retirement System (PERS), a cost sharing, multiple-employer defined benefit pension plan. All full-time employees of the City are covered by the plan after six months of employment. Benefits generally vest after five years of service. Retirement is allowed at age 58 with unreduced benefits, but retirement is generally allowed at age 55 with reduced benefits. Compulsory retirement age is 70. Retirement benefits are based on salary and length of service calculated using a formula and are payable in a lump sum or monthly using several payment options. PERS also provides death and disability benefits. These benefit provisions and other requirements are established by statute.

PERS issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Fiscal Services Division Public Employees Retirement System, 11410 SW 68th Parkway, Tigard, Oregon, 97223.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 8 - Pension Plan (continued)

B. FUNDING POLICY

The rate of employee contribution is established by law at 6% of employee compensation. The rate of employer contribution is set by the Public Employees Retirement Board, based upon actuarial valuations. The rates shown below are based on the actuarial valuation of the system as of December 31, 1997, and are subject to change as a result of subsequent valuations or legislative amendments.

	<u>% of current-year covered payroll</u>
Effective for fiscal year beginning July 1, 1999	7.25%
Effective for fiscal year beginning July 1, 2000	7.25%
Effective for fiscal year beginning July 1, 2001	7.25%

C. ANNUAL PENSION COST

Employer contributions are calculated in conformance with the provisions of GASB Statement No. 27 as a percentage of covered payroll. Therefore, the contributions transmitted to the System are equal to the Annual Required Contribution (ARC), and there is no Net Pension Obligation (NPO) necessary to amortize any unmade contributions.

For the year ended June 30, 2000, the City's annual pension cost was equal to the required and actual contributions of the City. The required contribution was determined as part of the December 31, 1997, actuarial valuation using the entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) a consumer price inflation rate of 3.5% per year, (b) a rate of return on the investment of present and future assets of 8.0% per year, (c) projected salary increases of 4.0% per year attributable to general wage adjustments, with additional increases for promotion and longevity that vary by age and service, (d) projected automatic cost-of-living benefit increases of 2.0% per year, and (e) demographic assumptions that were chosen to reflect the best estimate of emerging experience of the members of the System.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 8 - Pension Plan (continued)

D. THREE-YEAR TREND INFORMATION

Three-year trend information for the City of Lafayette is as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/98	\$12,728	100%	\$0
06/30/99	\$18,616	100%	\$0
06/30/00	\$20,057	100%	\$0

E. REQUIRED SUPPLEMENTARY INFORMATION

The Schedule of Funding Progress for the City of Lafayette is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/93	\$160,596	\$162,673	\$2,077	90%	\$112,830	2%
12/31/95	142,122	156,269	14,146	91%	144,797	10%
12/31/97	245,675	194,602	(51,073)	126%	160,308	-32%

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 9 - Segment Information for Enterprise Funds

The City of Lafayette maintains eight enterprise funds which are intended to be self-supporting through user fees charged for services to the public. The water funds consist of the Water Fund itself as well as the Water Improvement Fund, Water SDC Fund, and Water Conservation Fund. The sewer funds consist of the Sewer Fund itself as well as the Sewer Improvement Fund, Sewer Plant Improvement Fund, and Sewer SDC Fund.

Selected segment information for the year ended June 30, 2000, is presented below:

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues	\$379,985	\$284,470	\$664,455
Depreciation	48,022	21,830	69,852
Operating income/(loss)	91,536	(2,744)	88,792
Operating transfers in/(out)	(7,000)	(6,000)	(13,000)
Net income	731,362	15,805	747,167
Current capital contributions	319,889	0	319,889
Fixed asset additions	634,407	25,729	660,136
Fixed asset deletions	10,000	0	10,000
Net working capital	267,919	359,041	626,960
Total assets	2,180,578	787,910	2,968,488
Compensated absences	4,160	3,256	7,416
Note payable	20,033	0	20,033
Total equity	2,138,134	781,425	2,919,559

Note 10 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to minimize its exposure to these risks. No significant reductions in the levels of insurance coverage have been made in the past fiscal year. Settled claims have not exceeded commercial coverage for any of the past three fiscal years.

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended June 30, 2000

Note 11 - Contingent liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time although management expects such amounts, if any, to be immaterial.

Management is not aware of any other contingent liabilities that would require disclosure under Statement of Financial Accounting Standards Number 5, which include among other things: notes or accounts receivable which have been discounted; pending suits, proceedings, hearings, or negotiations possibly involving retroactive judgments or claims; taxes in dispute; endorsements or guarantees; and options given.

Note 12 - Subsequent Events

In November of 1998, the City received voter approval to issue \$4.5 million of revenue bonds for water system improvements. The City has not issued these bonds to date.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

GENERAL FUND:

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues consist of property taxes, franchise fees, State liquor and cigarette taxes, various fees and fines for services provided, and interest income from temporary investments. Expenses are recorded in the following departments:

- Administration
- Police
- Fire
- Municipal Court
- Planning and Building
- Parks

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

COMPARATIVE BALANCE SHEET

June 30, 2000 and 1999

	<u>2000</u>	<u>1999</u>
ASSETS		
Cash and cash equivalents	67,105	99,228
Receivables:		
Accounts	8,135	4,061
Taxes	<u>15,911</u>	<u>1,734</u>
Total assets	<u>\$ 91,151</u>	<u>\$ 105,023</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	17,668	10,107
Payroll payable	-	16,779
Deposits	7,040	6,040
Deferred tax revenues	<u>9,758</u>	<u>1,031</u>
Total liabilities	<u>34,466</u>	<u>33,957</u>
Fund Equity:		
Fund balance:		
Reserved	-	-
Unreserved	<u>56,685</u>	<u>71,066</u>
Total fund equity	<u>56,685</u>	<u>71,066</u>
Total liabilities and fund equities	<u>\$ 91,151</u>	<u>\$ 105,023</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

For the Years Ended June 30, 2000 and 1999

	2000	1999
REVENUES:		
Taxes	194,122	23,457
Licenses, fees and permits	132,091	79,660
Federal and state revenues	60,541	30,123
Local government revenues	-	-
Interest revenues	3,475	5,513
Miscellaneous revenues	4,413	19,046
Total revenues	<u>394,642</u>	<u>157,799</u>
EXPENDITURES:		
General government	217,614	189,689
Highways and streets	-	-
Public safety	163,596	-
Community development	10,725	-
Capital outlay	25,490	6,554
Debt service	-	-
Total expenditures	<u>417,425</u>	<u>196,243</u>
Excess of revenues over (under) expenditures	(22,783)	(38,444)
OTHER FINANCING SOURCES (USES):		
Operating transfers in	-	-
Operating transfers (out)	<u>(35,000)</u>	<u>(26,000)</u>
Excess of revenues and other sources over (under) expenditures and other uses	(57,783)	(64,444)
FUND BALANCES - July 1	71,066	135,510
Residual equity transfers	<u>43,402</u>	<u>-</u>
FUND BALANCES - June 30	<u>\$ 56,685</u>	<u>\$ 71,066</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Taxes	184,440	194,122	9,682
Licenses, fees and permits	165,300	132,091	(33,209)
Intergovernmental revenues	55,611	60,541	4,930
Interest revenues	4,000	3,475	(525)
Miscellaneous revenues	5,400	4,413	(987)
Total revenues	<u>414,751</u>	<u>394,642</u>	<u>(20,109)</u>
EXPENDITURES:			
General government	167,402	162,042	5,360
Police department	115,060	104,146	10,914
Fire department	84,490	71,201	13,289
Municipal court	6,200	2,935	3,265
Planning and building department	74,750	64,050	10,700
Park department	36,920	13,051	23,869
Contingency	12,929	-	12,929
Total expenditures	<u>497,751</u>	<u>417,425</u>	<u>80,326</u>
Excess of revenues over (under) expenditures	(83,000)	(22,783)	60,217
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers (out)	(31,000)	(35,000)	(4,000)
Excess of revenues and other sources over (under) expenditures and other uses	(114,000)	(57,783)	56,217
FUND BALANCE - July 1	114,000	71,066	(42,934)
Residual equity transfers	-	43,402	43,402
FUND BALANCE - June 30	<u>\$ -</u>	<u>\$ 56,685</u>	<u>\$ 56,685</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

SCHEDULE OF REVENUES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Taxes:			
Current year's taxes	173,440	186,273	12,833
Prior years' taxes	11,000	7,849	(3,151)
Total taxes	<u>184,440</u>	<u>194,122</u>	<u>9,682</u>
Licenses, fees and permits:			
Franchise fees	44,800	52,109	7,309
Licenses and permits	68,500	61,006	(7,494)
Systems development	15,500	120	(15,380)
Planning fees	36,500	18,856	(17,644)
Total licenses, fees and permits	<u>165,300</u>	<u>132,091</u>	<u>(33,209)</u>
Intergovernmental revenues:			
Liquor tax	16,000	16,664	664
Cigarette tax	5,000	5,476	476
911 funding	8,000	11,073	3,073
State revenue sharing	10,000	12,991	2,991
Other	16,611	14,337	(2,274)
Total intergovernmental revenues	<u>55,611</u>	<u>60,541</u>	<u>4,930</u>
Interest revenue	<u>4,000</u>	<u>3,475</u>	<u>(525)</u>
Miscellaneous:			
City equipment rental	500	-	(500)
Miscellaneous	3,900	4,413	513
Donation	1,000	-	(1,000)
Total miscellaneous	<u>5,400</u>	<u>4,413</u>	<u>(987)</u>
Total revenues	<u>\$ 414,751</u>	<u>\$ 394,642</u>	<u>\$ (20,109)</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

EXPENDITURES:	Budget	Actual	Variance Favorable (Unfavorable)
General Government			
Personal services:			
City administrator	44,487	19,307	25,180
Finance director	19,621	15,035	4,586
Clerk	1,300	13,165	(11,865)
Office manager	4,049	3,344	705
Public works supervisor	3,754	5,640	(1,886)
Engineer	-	3,380	(3,380)
Part time office help	3,200	3,196	4
Social security	3,363	4,830	(1,467)
Health and life insurance	8,035	16,598	(8,563)
Worker's compensation	703	1,000	(297)
Unemployment insurance	44	-	44
PERS: employee retirement	5,824	7,834	(2,010)
Total personal services	<u>94,380</u>	<u>93,329</u>	<u>1,051</u>
Materials and services:			
Insurance and bonds	1,000	1,373	(373)
Printing	2,700	1,042	1,658
Office equipment maintenance	5,500	3,643	1,857
Audit	1,200	2,422	(1,222)
Attorney fees	9,872	8,496	1,376
Telephone	1,000	672	328
Office supplies and postage	6,000	7,711	(1,711)
Utilities	8,000	5,000	3,000
Dues and meetings	5,000	2,788	2,212
Miscellaneous	20,750	27,088	(6,338)
Total materials and services	<u>61,022</u>	<u>60,235</u>	<u>787</u>
Capital outlay			
City hall improvement	2,000	-	2,000
Office equipment	10,000	8,478	1,522
Total capital outlay	<u>12,000</u>	<u>8,478</u>	<u>3,522</u>
Total general government	<u>167,402</u>	<u>162,042</u>	<u>5,360</u>

Continued

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (continued)

For the Year Ended June 30, 2000

EXPENDITURES:	Budget	Actual	Variance Favorable (Unfavorable)
Police Department:			
Materials and services			
Emergency communication	103,560	101,130	2,430
Repairs and supplies	500	-	500
Professional services	2,000	3,016	(1,016)
Donations LCAT	9,000	-	9,000
Total police department	115,060	104,146	10,914
Fire Department:			
Personal services			
Fire Chief	13,020	12,835	185
Social security	1,288	1,215	73
Workman's compensation	5,171	5,081	90
Health/Dental	744	-	744
Unemployment	17	-	17
PERS	2,230	1,912	318
Total personal services	22,470	21,043	1,427
Materials and services			
Volunteer fire and medic	8,500	7,756	744
Insurance	2,750	3,780	(1,030)
Repairs/Maint and supplies	12,380	8,984	3,396
Training	2,000	2,769	(769)
Utilities	1,500	383	1,117
Emergency communication	10,640	10,640	-
Professional services	1,250	619	631
Miscellaneous	-	541	(541)
Total materials and services	39,020	35,472	3,548
Capital outlay			
Equipment	23,000	14,686	8,314
Total fire department	84,490	71,201	13,289

Continued

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

STATEMENT OF EXPENDITURES
BUDGET AND ACTUAL (continued)

For the Year Ended June 30, 2000

EXPENDITURES:	Budget	Actual	Variance Favorable (Unfavorable)
Municipal Court:			
Materials and services			
Municipal court judge	6,050	2,200	3,850
Court costs	150	200	(50)
Refunds of fines	-	500	(500)
Miscellaneous	-	35	(35)
	<u>6,200</u>	<u>2,935</u>	<u>3,265</u>
Total municipal court			
	<u>6,200</u>	<u>2,935</u>	<u>3,265</u>
Planning and Building Department:			
Materials and services			
Contract services	71,050	45,857	25,193
Professional services	-	8,451	(8,451)
Supplies	1,500	143	1,357
Conference and travel	-	331	(331)
Advertising	1,200	900	300
Miscellaneous	1,000	8,368	(7,368)
	<u>74,750</u>	<u>64,050</u>	<u>10,700</u>
Total planning department			
	<u>74,750</u>	<u>64,050</u>	<u>10,700</u>
Parks Department:			
Personal services			
Extra help	-	3,450	(3,450)
Social security	1,390	270	1,120
Health insurance	1,014	870	144
Workers comp	309	60	249
PERS	2,407	460	1,947
	<u>5,120</u>	<u>5,110</u>	<u>10</u>
Total personal services			
	<u>5,120</u>	<u>5,110</u>	<u>10</u>
Materials and services			
Utilities	3,500	1,805	1,695
Equipment rental/misc.	1,000	318	682
Repairs and supplies	4,500	3,426	1,074
Professional services	300	66	234
	<u>9,300</u>	<u>5,615</u>	<u>3,685</u>
Total materials and services			
	<u>9,300</u>	<u>5,615</u>	<u>3,685</u>

Continued

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

GENERAL FUND

STATEMENT OF EXPENDITURES
BUDGET AND ACTUAL (continued)

For the Year Ended June 30, 2000

EXPENDITURES:	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Parks Department (continued):			
Capital outlay			
Equipment	<u>22,500</u>	<u>2,326</u>	<u>20,174</u>
Total capital outlay	<u>22,500</u>	<u>2,326</u>	<u>20,174</u>
Total parks department	<u>36,920</u>	<u>13,051</u>	<u>23,869</u>
Contingency:	<u>12,929</u>	<u>-</u>	<u>12,929</u>
Total expenditures	<u>\$ 497,751</u>	<u>\$ 417,425</u>	<u>\$ 80,326</u>

THIS PAGE INTENTIONALLY LEFT BLANK

SPECIAL REVENUE FUNDS:

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments recorded in debt service funds, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes.

The Special Revenue Funds consist of the following:

- Street
- Street Capital Projects
- Street SDC
- Law Enforcement
- Heritage Days
- Parks SDC
- Fire Department
- Fire Equipment Reserve
- Community Facilities
- City Hall Building

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

June 30, 2000

(With comparative totals as of June 30, 1999)

	Street Fund	Street Capital Projects	Street SDC	Law Enforcement	Heritage Days
ASSETS					
Cash and investments	823	8,814	81,017	-	2,344
Accounts receivable	17,311	-	-	-	-
Taxes receivable	-	-	-	-	-
Total assets	\$ 18,134	\$ 8,814	\$ 81,017	\$ -	\$ 2,344
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	596	39,241	-	-	-
Deferred revenue	-	-	-	-	-
Total liabilities	596	39,241	-	-	-
Fund Equity:					
Fund balance:					
Reserved	-	-	-	-	-
Unreserved	17,538	(30,427)	81,017	-	2,344
Total fund equity	17,538	(30,427)	81,017	-	2,344
Total liabilities and fund equity	\$ 18,134	\$ 8,814	\$ 81,017	\$ -	\$ 2,344

Continued

Continued

Parks SDC	Fire Department	Fire Equipment Reserve	Community Facilities	City Hall Building	Totals	
					2000	1999
13,188	-	4,130	6,766	1,393	118,475	257,727
-	-	-	-	-	17,311	21,642
-	-	-	-	-	-	12,711
<u>\$ 13,188</u>	<u>\$ -</u>	<u>\$ 4,130</u>	<u>\$ 6,766</u>	<u>\$ 1,393</u>	<u>\$ 135,786</u>	<u>\$ 292,080</u>
-	-	-	265	42	40,144	95,670
-	-	-	-	-	-	7,559
-	-	-	265	42	40,144	103,229
13,188	-	4,130	6,501	1,351	95,642	188,851
13,188	-	4,130	6,501	1,351	95,642	188,851
<u>\$ 13,188</u>	<u>\$ -</u>	<u>\$ 4,130</u>	<u>\$ 6,766</u>	<u>\$ 1,393</u>	<u>\$ 135,786</u>	<u>\$ 292,080</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2000
(With comparative totals for the year ended June 30, 1999)

	Street Fund	Street Capital Projects	Street SDC	Law Enforcement	Heritage Days
REVENUES:					
Taxes	-	-	-	-	-
Licenses, fees and permits	-	-	-	-	-
Intergovernmental revenues	98,690	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest revenue	6,128	(4,861)	3,906	-	120
System development charges	-	1,000	2,855	-	-
Miscellaneous revenues	-	-	-	-	2,223
Total revenues	104,818	(3,861)	6,761	-	2,343
EXPENDITURES:					
Highways and streets	52,479	14,270	193	-	-
Public Safety	-	-	-	-	3,999
Community development	-	-	-	-	-
Capital outlay	1,164	69,296	898	-	-
Debt service	-	-	-	-	-
Total expenditures	53,643	83,566	1,091	-	3,999
Excess of revenues over (under) expenditures	51,175	(87,427)	5,670	-	(1,656)
OTHER FINANCING SOURCES (USES):					
Operating transfers in	-	57,000	-	-	4,000
Operating transfers out	(57,000)	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(5,825)	(30,427)	5,670	-	2,344
FUND BALANCE - July 1	98,710	-	-	14,660	-
Residual equity transfers	(75,347)	-	75,347	(14,660)	-
FUND BALANCE - June 30	\$ 17,538	\$ (30,427)	\$ 81,017	\$ -	\$ 2,344

Continued

Continued

Parks SDC	Fire Department	Fire Equipment Reserve	Community Facilities	City Hall Building	Totals	
					2000	1999
-	-	-	-	-	-	160,973
-	-	-	-	-	-	15,582
-	-	-	-	13,100	111,790	97,234
-	-	-	-	-	-	11,768
540	-	127	372	17	6,349	15,089
2,741	-	-	-	-	6,596	18,541
-	-	4,000	5,112	-	11,335	18,776
<u>3,281</u>	<u>-</u>	<u>4,127</u>	<u>5,484</u>	<u>13,117</u>	<u>136,070</u>	<u>337,963</u>
-	-	-	-	-	66,942	76,887
-	-	-	-	-	3,999	191,517
248	-	-	4,132	-	4,380	41,209
-	-	15,158	5,587	32,884	124,987	122,028
-	-	22,261	-	11,308	33,569	-
<u>248</u>	<u>-</u>	<u>37,419</u>	<u>9,719</u>	<u>44,192</u>	<u>233,877</u>	<u>431,641</u>
3,033	-	(33,292)	(4,235)	(31,075)	(97,807)	(93,678)
-	-	20,000	2,000	22,000	105,000	51,000
-	-	-	-	-	(57,000)	(25,000)
3,033	-	(13,292)	(2,235)	(9,075)	(49,807)	(67,678)
22,607	16,290	17,422	8,736	10,426	188,851	256,529
(12,452)	(16,290)	-	-	-	(43,402)	-
<u>\$ 13,188</u>	<u>\$ -</u>	<u>\$ 4,130</u>	<u>\$ 6,501</u>	<u>\$ 1,351</u>	<u>\$ 95,642</u>	<u>\$ 188,851</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

STREET FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	247,000	98,690	(148,310)
Interest revenue	1,500	6,128	4,628
System development charges	20,000	-	(20,000)
Miscellaneous revenues	200	-	(200)
Total revenues	<u>268,700</u>	<u>104,818</u>	<u>(163,882)</u>
EXPENDITURES:			
Personal services	24,720	22,466	2,254
Materials and services	35,600	30,013	5,587
Capital outlay	322,000	1,164	320,836
Contingency	2,380	-	2,380
Total expenditures	<u>384,700</u>	<u>53,643</u>	<u>331,057</u>
Excess of revenues over (under) expenditures	(116,000)	51,175	167,175
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	<u>(57,000)</u>	<u>(57,000)</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	(173,000)	(5,825)	167,175
FUND BALANCE - July 1	173,000	98,710	(74,290)
Residual equity transfers	<u>-</u>	<u>(75,347)</u>	<u>(75,347)</u>
FUND BALANCE - June 30	<u>\$ -</u>	<u>\$ 17,538</u>	<u>\$ 17,538</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

STREETS CAPITAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	29,000	-	(29,000)
Interest revenue	-	(4,861)	(4,861)
System development charges	-	1,000	1,000
Miscellaneous revenues	-	-	-
Total revenues	<u>29,000</u>	<u>(3,861)</u>	<u>(32,861)</u>
EXPENDITURES:			
Personal services	-	-	-
Materials and services	9,900	14,270	(4,370)
Capital outlay	76,100	69,296	6,804
Contingency	-	-	-
Total expenditures	<u>86,000</u>	<u>83,566</u>	<u>2,434</u>
Excess of revenues over (under) expenditures	(57,000)	(87,427)	(30,427)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	57,000	57,000	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	(30,427)	(30,427)
FUND BALANCE - July 1	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - June 30	<u>\$ -</u>	<u>\$ (30,427)</u>	<u>\$ (30,427)</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

STREET SDC FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	2,600	3,906	1,306
System development charges	-	2,855	2,855
Miscellaneous revenues	-	-	-
Total revenues	<u>2,600</u>	<u>6,761</u>	<u>4,161</u>
EXPENDITURES:			
Personal services	-	-	-
Materials and services	(900)	193	(1,093)
Capital outlay	(9,646)	898	(10,544)
Contingency	-	-	-
Total expenditures	<u>(10,546)</u>	<u>1,091</u>	<u>(11,637)</u>
Excess of revenues over (under) expenditures	13,146	5,670	(7,476)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	13,146	5,670	(7,476)
FUND BALANCE - July 1	(13,146)	-	13,146
Residual equity transfers	-	75,347	75,347
FUND BALANCE - June 30	<u>\$ -</u>	<u>\$ 81,017</u>	<u>\$ 81,017</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

LAW ENFORCEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	-	-	-
System development charges	-	-	-
Miscellaneous revenues	-	-	-
Total revenues	-	-	-
EXPENDITURES:			
Personal services	-	-	-
Materials and services	-	-	-
Capital outlay	-	-	-
Contingency	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-
FUND BALANCE - July 1	-	14,660	14,660
Residual equity transfers	-	(14,660)	(14,660)
FUND BALANCE - June 30	\$ -	\$ -	\$ -

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

HERITAGE DAYS FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	-	120	120
System development charges	-	-	-
Miscellaneous revenues	2,000	2,223	223
Total revenues	2,000	2,343	343
EXPENDITURES:			
Personal services	-	-	-
Materials and services	1,168	3,999	(2,831)
Capital outlay	-	-	-
Contingency	-	-	-
Total expenditures	1,168	3,999	(2,831)
Excess of revenues over (under) expenditures	832	(1,656)	(2,488)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	4,000	4,000
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	832	2,344	1,512
FUND BALANCE - July 1	(832)	-	832
FUND BALANCE - June 30	\$ -	\$ 2,344	\$ 2,344

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

PARKS SDC FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	350	540	190
System development charges	-	2,741	2,741
Miscellaneous revenues	-	-	-
Total revenues	350	3,281	2,931
EXPENDITURES:			
Personal services	-	-	-
Materials and services	100	248	(148)
Capital outlay	10,400	-	10,400
Contingency	-	-	-
Total expenditures	10,500	248	10,252
Excess of revenues over (under) expenditures	(10,150)	3,033	13,183
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(10,150)	3,033	13,183
FUND BALANCE - July 1	10,150	22,607	12,457
Residual equity transfers	-	(12,452)	(12,452)
FUND BALANCE - June 30	\$ -	\$ 13,188	\$ 13,188

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

FIRE DEPARTMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	-	-	-
System development charges	-	-	-
Miscellaneous revenues	-	-	-
Total revenues	-	-	-
EXPENDITURES:			
Personal services	-	-	-
Materials and services	-	-	-
Capital outlay	-	-	-
Contingency	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-
FUND BALANCE - July 1	-	16,290	16,290
Residual equity transfers	-	(16,290)	(16,290)
FUND BALANCE - June 30	\$ -	\$ -	\$ -

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

FIRE EQUIPMENT RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	200	127	(73)
System development charges	-	-	-
Miscellaneous revenues	-	4,000	4,000
Total revenues	<u>200</u>	<u>4,127</u>	<u>3,927</u>
EXPENDITURES:			
Personal services	-	-	-
Materials and services	-	-	-
Capital outlay	15,338	15,158	180
Debt service	<u>22,284</u>	<u>22,261</u>	<u>23</u>
Total expenditures	<u>37,622</u>	<u>37,419</u>	<u>203</u>
Excess of revenues over (under) expenditures	(37,422)	(33,292)	4,130
OTHER FINANCING SOURCES (USES):			
Operating transfers in	20,000	20,000	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	(17,422)	(13,292)	4,130
FUND BALANCE - July 1	<u>17,422</u>	<u>17,422</u>	<u>-</u>
FUND BALANCE - June 30	<u>\$ -</u>	<u>\$ 4,130</u>	<u>\$ 4,130</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

COMMUNITY FACILITIES FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	-	-	-
Interest revenue	300	372	72
System development charges	-	-	-
Miscellaneous revenues	6,350	5,112	(1,238)
Total revenues	6,650	5,484	(1,166)
EXPENDITURES:			
Personal services	-	-	-
Materials and services	5,650	4,132	1,518
Capital outlay	10,250	5,587	4,663
Contingency	1,486	-	1,486
Total expenditures	17,386	9,719	7,667
Excess of revenues over (under) expenditures	(10,736)	(4,235)	6,501
OTHER FINANCING SOURCES (USES):			
Operating transfers in	2,000	2,000	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(8,736)	(2,235)	6,501
FUND BALANCE - July 1	8,736	8,736	-
FUND BALANCE - June 30	\$ -	\$ 6,501	\$ 6,501

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

CITY HALL BUILDING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	-	-	-
Licenses, fees and permits	-	-	-
Intergovernmental revenues	12,650	13,100	450
Interest revenue	-	17	17
System development charges	-	-	-
Miscellaneous revenues	-	-	-
Total revenues	<u>12,650</u>	<u>13,117</u>	<u>467</u>
EXPENDITURES:			
Personal services	-	-	-
Materials and services	8,100	5,205	2,895
Capital outlay	25,043	27,679	(2,636)
Debt service	11,350	11,308	42
Contingency	583	-	583
Total expenditures	<u>45,076</u>	<u>44,192</u>	<u>884</u>
Excess of revenues over (under) expenditures	(32,426)	(31,075)	1,351
OTHER FINANCING SOURCES (USES):			
Operating transfers in	22,000	22,000	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(10,426)	(9,075)	1,351
FUND BALANCE - July 1	<u>10,426</u>	<u>10,426</u>	<u>-</u>
FUND BALANCE - June 30	<u>\$ -</u>	<u>\$ 1,351</u>	<u>\$ 1,351</u>

THIS PAGE INTENTIONALLY LEFT BLANK

ENTERPRISE FUNDS:

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Enterprise Funds consist of the following:

- Water
- Water Improvement
- Water SDC
- Water Conservation
- Sewer
- Sewer Improvement
- Sewer Plant Improvement
- Sewer SDC

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL ENTERPRISE FUNDS

COMBINING BALANCE SHEET

June 30, 2000

(With comparative totals as of June 30, 1999)

	<u>Water</u>	<u>Water Improvement</u>	<u>Water SDC</u>	<u>Water Conservation</u>
ASSETS				
Cash and cash equivalents	929	246,712	7,666	1,407
Accounts receivable	29,456	-	-	-
Due from other funds	-	-	-	-
Construction in progress	-	140,712	-	-
Joint Water Project	-	476,124	-	-
Fixed assets, net of depreciation	<u>588,853</u>	<u>688,719</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 619,238</u>	<u>\$ 1,552,267</u>	<u>\$ 7,666</u>	<u>\$ 1,407</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	4,123	8,125	-	-
Customer deposits	6,003	-	-	-
Compensated absences payable	4,160	-	-	-
Due to other funds	-	-	-	-
Note payable	<u>-</u>	<u>20,033</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>14,286</u>	<u>28,158</u>	<u>-</u>	<u>-</u>
Fund Equity:				
Contributed capital	579,749	550,714	-	-
Retained earnings:				
Reserved	-	-	-	-
Unreserved	<u>25,203</u>	<u>973,395</u>	<u>7,666</u>	<u>1,407</u>
Total fund equity	<u>604,952</u>	<u>1,524,109</u>	<u>7,666</u>	<u>1,407</u>
Total liabilities and fund equity	<u>\$ 619,238</u>	<u>\$ 1,552,267</u>	<u>\$ 7,666</u>	<u>\$ 1,407</u>

Continued

Continued

Sewer	Sewer Improvement	Sewer Plant Improvement	Sewer SDC	Totals	
				2000	1999
79,163	89,263	-	160,056	585,196	427,556
33,788	-	-	-	63,244	39,245
-	-	-	-	-	44,740
-	39,491	-	-	180,203	67,199
-	-	-	-	476,124	208,963
<u>274,834</u>	<u>111,315</u>	<u>-</u>	<u>-</u>	<u>1,663,721</u>	<u>1,459,353</u>
<u>\$ 387,785</u>	<u>\$ 240,069</u>	<u>\$ -</u>	<u>\$ 160,056</u>	<u>\$ 2,968,488</u>	<u>\$ 2,247,056</u>
3,229	-	-	-	15,477	44,536
-	-	-	-	6,003	6,086
3,256	-	-	-	7,416	5,098
-	-	-	-	-	44,740
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,033</u>	<u>79,257</u>
<u>6,485</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,929</u>	<u>179,717</u>
30,061	158,107	-	159,862	1,478,493	1,158,604
-	-	-	-	-	-
<u>351,239</u>	<u>81,962</u>	<u>-</u>	<u>194</u>	<u>1,441,066</u>	<u>908,735</u>
<u>381,300</u>	<u>240,069</u>	<u>-</u>	<u>160,056</u>	<u>2,919,559</u>	<u>2,067,339</u>
<u>\$ 387,785</u>	<u>\$ 240,069</u>	<u>\$ -</u>	<u>\$ 160,056</u>	<u>\$ 2,968,488</u>	<u>\$ 2,247,056</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the Year Ended June 30, 2000

(With comparative totals for the year ended June 30, 1999)

	Water	Water Improvement	Water SDC	Water Conservation
REVENUES:				
Charges for services	366,415	-	-	-
Connection charges	911	1,000	11,659	-
Total operating revenues	367,326	1,000	11,659	-
EXPENSES:				
Personal services	128,529	-	-	200
Materials and services	79,090	14,737	16,332	1,539
Depreciation	30,806	17,216	-	-
Total operating expenses	238,425	31,953	16,332	1,739
Operating income (loss)	128,901	(30,953)	(4,673)	(1,739)
NON-OPERATING REVENUES (EXPENSES):				
Interest income	1,737	15,532	339	146
Interest expense	-	(4,439)	-	-
Gain/(loss) from sale of fixed assets	5,440	-	-	-
Other revenue	1,639	626,432	-	-
Total non-operating revenues (expenses)	8,816	637,525	339	146
Income (loss) before operating transfers	137,717	606,572	(4,334)	(1,593)
OPERATING TRANSFERS:				
Operating transfers in	-	268,000	12,000	3,000
Operating transfers out	(290,000)	-	-	-
Net income (loss)	(152,283)	874,572	7,666	1,407
RETAINED EARNINGS - July 1				
Prior period adjustments	-	(214,836)	-	-
Residual equity transfers	-	-	-	-
RETAINED EARNINGS - June 30	\$ 25,203	\$ 973,395	\$ 7,666	\$ 1,407

Continued

Continued

Sewer	Sewer Improvement	Sewer Plant Improvement	Sewer SDC	Totals	
				2000	1999
276,286	-	-	-	642,701	518,094
-	640	-	7,544	21,754	-
276,286	640	-	7,544	664,455	518,094
178,687	-	-	-	307,416	242,161
59,301	11,300	-	16,096	198,395	144,182
19,557	2,273	-	-	69,852	58,450
257,545	13,573	-	16,096	575,663	444,793
18,741	(12,933)	-	(8,552)	88,792	73,301
4,758	5,620	-	8,746	36,878	17,659
-	-	-	-	(4,439)	-
-	-	-	-	5,440	-
5,425	-	-	-	633,496	266,416
10,183	5,620	-	8,746	671,375	284,075
28,924	(7,313)	-	194	760,167	357,376
-	35,000	-	-	318,000	80,000
(41,000)	-	-	-	(331,000)	(80,000)
(12,076)	27,687	-	194	747,167	357,376
363,315	13,293	40,982	-	908,735	551,359
-	-	-	-	(214,836)	-
-	40,982	(40,982)	-	-	-
\$ 351,239	\$ 81,962	\$ -	\$ 194	\$ 1,441,066	\$ 908,735

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

ALL ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2000

(With comparative totals for the year ended June 30, 1999)

	Water	Water Improvement	Water SDC
Cash flows from operating activities:			
Operating income	128,901	(30,953)	(4,673)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	30,806	17,216	-
(Increase) decrease in due from other funds	44,740	-	-
(Increase) decrease in receivables	(2,770)	-	-
(Increase) decrease in prepaids	-	-	-
Increase (decrease) in accounts payable	1,515	(29,647)	-
Increase (decrease) in customer deposits	(83)	-	-
Increase (decrease) in compensated absences payable	2,642	-	-
Increase (decrease) due to other funds	-	(44,740)	-
Net cash from operating activities	205,751	(88,124)	(4,673)
Cash flows from noncapital financing activities:			
Operating transfers-in from other funds	-	268,000	12,000
Operating transfers-out to other funds	(290,000)	-	-
Equity transfers	-	-	-
Contributed capital transfers	-	-	-
Miscellaneous	1,639	626,432	-
System development charges	-	105,053	-
Net cash from noncapital financing activities	(288,361)	999,485	12,000
Cash flows from capital and related financing activities:			
Acquisition of fixed assets	(17,889)	(616,518)	-
Proceeds from sales of fixed assets	11,190	-	-
Note proceeds	-	-	-
Payment of note principal	-	(59,224)	-
Net cash from capital and related financing activities	(6,699)	(675,742)	-
Cash flows from investing activities:			
Interest income	1,737	15,532	339
Interest expense	-	(4,439)	-
Net cash from investing activities	1,737	11,093	339
Net increase/(decrease) in cash and cash equivalents	(87,572)	246,712	7,666
Cash and cash equivalents, July 1	88,501	-	-
Cash and cash equivalents, June 30	\$ 929	\$ 246,712	\$ 7,666

Continued

Continued

Water Conservation	Sewer	Sewer Improvement	Sewer Plant Improvement	Sewer SDC	Totals	
					2000	1999
(1,739)	18,741	(12,933)	-	(8,552)	88,792	73,301
-	19,557	2,273	-	-	69,852	58,450
-	-	-	-	-	44,740	(28,340)
-	(21,229)	-	-	-	(23,999)	3,583
-	-	-	-	-	-	-
-	(926)	-	-	-	(29,058)	18,150
-	-	-	-	-	(83)	1,990
-	(324)	-	-	-	2,318	1,186
-	-	-	-	-	(44,740)	28,340
<u>(1,739)</u>	<u>15,819</u>	<u>(10,660)</u>	<u>-</u>	<u>(8,552)</u>	<u>107,822</u>	<u>156,660</u>
3,000	-	35,000	-	-	318,000	80,000
-	(41,000)	-	-	-	(331,000)	(80,000)
-	-	40,982	(40,982)	-	-	-
-	-	(159,900)	38	159,862	-	-
-	5,425	-	-	-	633,496	266,416
-	-	-	-	-	105,053	66,414
<u>3,000</u>	<u>(35,575)</u>	<u>(83,918)</u>	<u>(40,944)</u>	<u>159,862</u>	<u>725,549</u>	<u>332,830</u>
-	(9,837)	(15,892)	-	-	(660,136)	(440,582)
-	-	-	-	-	11,190	-
-	-	-	-	-	-	(526)
-	-	-	-	-	(59,224)	-
<u>-</u>	<u>(9,837)</u>	<u>(15,892)</u>	<u>-</u>	<u>-</u>	<u>(708,170)</u>	<u>(441,108)</u>
146	4,758	5,620	-	8,746	36,878	17,659
-	-	-	-	-	(4,439)	-
<u>146</u>	<u>4,758</u>	<u>5,620</u>	<u>-</u>	<u>8,746</u>	<u>32,439</u>	<u>17,659</u>
1,407	(24,835)	(104,850)	(40,944)	160,056	157,640	66,041
-	103,998	194,113	40,944	-	427,556	361,515
<u>\$ 1,407</u>	<u>\$ 79,163</u>	<u>\$ 89,263</u>	<u>\$ -</u>	<u>\$ 160,056</u>	<u>\$ 585,196</u>	<u>\$ 427,556</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	375,000	366,415	(8,585)
Connection charges	-	911	911
Investment income	1,800	1,737	(63)
Other revenue	2,500	7,079	4,579
Total revenues	379,300	376,142	(3,158)
EXPENDITURES:			
Personal services	127,700	128,529	(829)
Materials and services	97,100	75,167	21,933
Capital outlay	14,000	34,729	(20,729)
Contingency	7,500	-	7,500
Total expenditures	246,300	238,425	7,875
Excess of revenues over (under) expenditures	133,000	137,717	4,717
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	(282,000)	(290,000)	(8,000)
Excess of revenues and other sources over (under) expenditures and other uses	(149,000)	(152,283)	(3,283)
RETAINED EARNINGS - July 1	149,000	177,486	28,486
RETAINED EARNINGS - June 30	\$ -	\$ 25,203	\$ 25,203

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

WATER IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	4,000		(4,000)
Connection charges	-	1,000	1,000
Investment income	(100)	15,532	15,632
Other revenue	788,759	626,432	(162,327)
Total revenues	792,659	642,964	(149,695)
EXPENDITURES:			
Personal services	-	-	-
Materials and services	330,100	-	330,100
Capital outlay	482,000	31,953	450,047
Debt service	(85,000)	4,439	(89,439)
Contingency	3,085	-	3,085
Total expenditures	730,185	36,392	693,793
Excess of revenues over (under) expenditures	62,474	606,572	544,098
OTHER FINANCING SOURCES (USES):			
Operating transfers in	268,000	268,000	-
Operating transfers out	(15,000)	-	15,000
Excess of revenues and other sources over (under) expenditures and other uses	315,474	874,572	559,098
RETAINED EARNINGS - July 1	(115,474)	313,659	429,133
Prior period adjustments	-	(214,836)	(214,836)
RETAINED EARNINGS - June 30	\$ 200,000	\$ 973,395	\$ 773,395

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

WATER SDC FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	-	-	-
Connection charges	34,900	11,659	(23,241)
Investment income	-	339	339
Other revenue	-	-	-
Total revenues	34,900	11,998	(22,902)
EXPENDITURES:			
Personal services	-	-	-
Materials and services	46,900	16,332	30,568
Capital outlay	-	-	-
Contingency	-	-	-
Total expenditures	46,900	16,332	30,568
Excess of revenues over (under) expenditures	(12,000)	(4,334)	7,666
OTHER FINANCING SOURCES (USES):			
Operating transfers in	12,000	12,000	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	7,666	7,666
RETAINED EARNINGS - July 1	-	-	-
RETAINED EARNINGS - June 30	\$ -	\$ 7,666	\$ 7,666

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

WATER CONSERVATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	-	-	-
Connection charges	-	-	-
Investment income	-	146	146
Other revenue	205,000	-	(205,000)
Total revenues	205,000	146	(204,854)
EXPENDITURES:			
Personal services	200	200	-
Materials and services	200,300	1,539	198,761
Debt service	4,500	-	4,500
Contingency	-	-	-
Total expenditures	205,000	1,739	203,261
Excess of revenues over (under) expenditures	-	(1,593)	(1,593)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	3,000	3,000
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	1,407	1,407
RETAINED EARNINGS - July 1	-	-	-
RETAINED EARNINGS - June 30	\$ -	\$ 1,407	\$ 1,407

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SEWER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	232,000	276,286	44,286
Connection charges	-	-	-
Investment income	1,900	4,758	2,858
Other revenue	6,000	5,425	(575)
Total revenues	239,900	286,469	46,569
EXPENDITURES:			
Personal services	181,630	178,687	2,943
Materials and services	71,600	53,993	17,607
Capital outlay	46,000	23,795	22,205
Contingency	2,670	1,070	1,600
Total expenditures	301,900	257,545	44,355
Excess of revenues over (under) expenditures	(62,000)	28,924	90,924
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	(46,000)	(41,000)	5,000
Excess of revenues and other sources over (under) expenditures and other uses	(108,000)	(12,076)	95,924
RETAINED EARNINGS - July 1	108,000	363,315	255,315
RETAINED EARNINGS - June 30	\$ -	\$ 351,239	\$ 351,239

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SEWER IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	-	-	-
Connection charges	37,500	640	(36,860)
Investment income	4,700	5,620	920
Other revenue	-	-	-
Total revenues	42,200	6,260	(35,940)
EXPENDITURES:			
Personal services	-	-	-
Materials and services	49,500	-	49,500
Capital outlay	268,500	13,573	254,927
Contingency	-	-	-
Total expenditures	318,000	13,573	304,427
Excess of revenues over (under) expenditures	(275,800)	(7,313)	268,487
OTHER FINANCING SOURCES (USES):			
Operating transfers in	35,000	35,000	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(240,800)	27,687	268,487
RETAINED EARNINGS - July 1	240,800	13,293	(227,507)
Residual equity transfer	-	40,982	40,982
RETAINED EARNINGS - June 30	\$ -	\$ 81,962	\$ 81,962

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SEWER PLANT IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	-	-	-
Connection charges	-	-	-
Investment income	-	-	-
Other revenue	-	-	-
Total revenues	-	-	-
EXPENDITURES:			
Personal services	-	-	-
Materials and services	-	-	-
Capital outlay	-	-	-
Contingency	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-
RETAINED EARNINGS - July 1	-	40,982	40,982
Residual equity transfer	-	(40,982)	(40,982)
RETAINED EARNINGS - June 30	\$ -	\$ -	\$ -

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SEWER SDC FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS
BUDGET AND ACTUAL

For the Year Ended June 30, 2000

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Service charges	-	-	-
Connection charges	-	7,544	7,544
Investment income	4,300	8,746	4,446
Other revenue	-	-	-
Total revenues	4,300	16,290	11,990
EXPENDITURES:			
Personal services	-	-	-
Materials and services	7,500	16,096	(8,596)
Capital outlay	-	-	-
Contingency	-	-	-
Total expenditures	7,500	16,096	(8,596)
Excess of revenues over (under) expenditures	(3,200)	194	3,394
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	-
Operating transfers out	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(3,200)	194	3,394
RETAINED EARNINGS - July 1	3,200	-	(3,200)
RETAINED EARNINGS - June 30	\$ -	\$ 194	\$ 194

AGENCY FUND:

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

The Agency Fund is L-CAT

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

LAFAYETTE COMMUNITY ACTION TEAM AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Year Ended June 30, 2000

	<u>Balance</u> <u>July 1, 1999</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2000</u>
ASSETS				
Cash and cash equivalents	<u>\$ 7,291</u>	<u>\$ 18,231</u>	<u>\$ 18,874</u>	<u>\$ 6,648</u>
LIABILITIES				
Due to Lafayette Community Action Team	<u>\$ 7,291</u>	<u>\$ 18,231</u>	<u>\$ 18,874</u>	<u>\$ 6,648</u>

OTHER SCHEDULES

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON
SCHEDULE OF PROPERTY TAX TRANSACTIONS

For the Year Ended June 30, 2000

<u>Fiscal Year</u>	<u>1999-00 levy and balance at 7/1/99</u>	<u>Interest Discounts & Adjustments</u>	<u>Collections</u>	<u>Balance 6/30/00</u>
1999-00	199,983	(9,126)	181,241	9,616
1998-99	8,627	2,594	7,642	3,580
1997-98	3,251	656	2,295	1,612
1996-97	1,596	235	1,162	669
1995-96	494	513	893	114
1994-95	110	124	165	69
1993-94	77	29	58	48
Prior years	<u>290</u>	<u>12</u>	<u>97</u>	<u>205</u>
Totals	<u>\$ 214,428</u>	<u>\$ (4,964)</u>	<u>\$ 193,553</u>	<u>\$ 15,911</u>

Reconciliation to revenue:

Cash collections	193,553
Severance taxes and other	271
Prior year accruals	(5,855)
Current year accruals	<u>6,153</u>
Property tax revenue	<u>\$ 194,122</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SCHEDULE OF BONDED OR LONG-TERM DEBT TRANSACTIONS

For the Year Ended June 30, 2000

PRINCIPAL TRANSACTIONS

	Outstanding 7/1/99	Issued	Paid	Outstanding 6/30/00
Notes Payable:				
City of Dayton	79,257		(59,224)	20,033
City Hall Site	-	120,000	(2,183)	117,817
Capital Leases:				
Mine Safety Appliances	10,375	-	(3,216)	7,159
Banc One Leasing Corp	137,146	-	(10,602)	126,544
Total all long-term debt	<u>\$ 226,778</u>	<u>\$ 120,000</u>	<u>\$ (75,225)</u>	<u>\$ 271,553</u>

INTEREST TRANSACTIONS

	Matured 7/1/99	Matured	Paid	Matured 6/30/00
Notes Payable:				
City of Dayton	-	4,438	(4,438)	-
City Hall Site	-	9,125	(9,125)	-
Capital Leases:				
Mine Safety Appliances	-	763	(763)	-
Banc One Leasing Corp	-	7,680	(7,680)	-
Total all long-term debt	<u>\$ -</u>	<u>\$ 22,006</u>	<u>\$ (22,006)</u>	<u>\$ -</u>

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SCHEDULE OF FUTURE REQUIREMENTS FOR RETIREMENT
OF BONDED OR LONG-TERM DEBT -- BY ISSUE

For the Year Ended June 30, 2000

Fiscal Year June 30,	Note - City of Dayton		Note - City Hall Site	
	Principal	Interest	Principal	Interest
2001	20,033	-	4,195	10,213
2002	-	-	1,246	10,082
2003	-	-	1,361	9,967
2004	-	-	1,488	9,840
2005	-	-	1,626	9,702
2006	-	-	1,777	9,551
2007	-	-	1,942	9,386
2008	-	-	2,123	9,205
2009	-	-	2,320	9,008
2010	-	-	2,535	8,793
2011	-	-	2,771	8,557
2012	-	-	3,028	8,300
2013	-	-	3,310	8,018
2014	-	-	3,617	7,711
2015	-	-	3,953	7,375
2016	-	-	4,321	7,007
2017	-	-	4,722	6,606
2018	-	-	5,161	6,167
2019	-	-	5,641	5,687
2020	-	-	6,165	5,163
2021	-	-	6,738	4,590
2022	-	-	7,364	3,964
2023	-	-	8,048	3,280
2024	-	-	8,795	2,533
2025	-	-	9,613	1,715
2026	-	-	10,506	822
2027	-	-	3,451	61
Totals	\$ 20,033	\$ -	\$ 117,817	\$ 183,304

Fiscal Year June 30,	Capital Lease - Mine Safety Appliance Co		Capital Lease - Banc One Leasing Corp	
	Principal	Interest	Principal	Interest
2001	3,453	526	11,196	7,086
2002	3,706	272	11,823	6,459
2003	-	-	12,485	5,797
2004	-	-	13,184	5,098
2005	-	-	13,922	4,360
2006	-	-	14,702	3,580
2007	-	-	15,525	2,757
2008	-	-	16,395	1,887
2009	-	-	17,312	970
Totals	\$ 7,159	\$ 798	\$ 126,544	\$ 37,994

CITY OF LAFAYETTE
YAMHILL COUNTY, OREGON

SCHEDULE OF FUTURE REQUIREMENTS FOR RETIREMENT
OF BONDED OR LONG-TERM DEBT -- BY FUND

For the Year Ended June 30, 2000

<u>ENTERPRISE FUND LONG-TERM DEBT</u>		<u>Principal</u>	<u>Interest</u>
<u>Water Improvement Fund</u>			
Note Payable - City of Dayton		\$ 20,033	\$ -
 <u>GENERAL LONG-TERM DEBT ACCOUNT GROUP</u>		<u>Principal</u>	<u>Interest</u>
Note Payable - City Hall Site		117,817	183,304
Capital Lease - Mine Safety Appliance Co		7,159	798
Capital Lease - Banc One Leasing Corp		126,544	37,994
Total General Long-Term Debt Account Group		\$ 251,520	\$ 222,096

**COMMENTS OF INDEPENDENT ACCOUNTANTS
REQUIRED BY THE STATE OF OREGON**

THIS PAGE INTENTIONALLY LEFT BLANK

CITIZENS BUILDING
975 OAK STREET
SUITE 1010
EUGENE, OREGON 97401-3124



GREGOR PROFESSIONAL
C O R P O R A T I O N

Telephone (541) 686-8777
Facsimile (541) 686-8779
E-mail: gpccpa@attglobal.net

**COMMENTS OF INDEPENDENT ACCOUNTANTS REQUIRED BY THE STATE OF OREGON
MINIMUM STANDARDS FOR AUDITS OF OREGON MUNICIPAL CORPORATIONS**

Honorable Mayor and City Council
City of Lafayette
486 Third Street
Lafayette, Oregon 97127

We have audited the general purpose financial statements of the City of Lafayette, Oregon, as of and for the year ended June 30, 2000, and have issued our report thereon dated November 3, 2000.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The State of Oregon Minimum Standards for Audits of Oregon Municipal Corporations require that we make comments and disclosures relating to our review of fiscal affairs and compliance with legal requirements and the applicable provisions of the Oregon Revised Statutes as follows:

- The amount and adequacy of collateral pledged by depositories to secure the deposit of public funds.
- The legal requirements relating to short-term and long-term debt.
- Compliance with the requirements of Local Budget law in the preparation, adoption and execution of the annual budget for the current and subsequent fiscal years.
- The legal requirements relating to insurance and fidelity bond coverage.
- Compliance with the laws and regulations of programs funded wholly or partially by other government agencies.
- The legal requirements covering the use of revenue from motor vehicle fuel tax.
- The policies and procedures pertaining to the investment of public funds.
- The legal requirements covering the awarding of public contracts and construction of public improvements.

The results of our tests disclosed no instances of noncompliance by the City with the foregoing requirements, with the following exceptions:

- Non-compliance with local budget law – expenditures exceeding appropriations as detailed in Note 2.

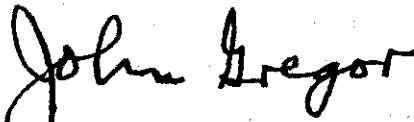
It should be noted that our audit was not directed primarily toward obtaining knowledge of noncompliance with these requirements.

Additionally, we make the following comments:

- The accounting records were adequate for the audit.
- Our review of the insurance and fidelity bond was limited to the existing coverage for the period. We are not experts in insurance and make no representation as to the adequacy of coverage.
- To our knowledge, no independently elected official was accountable for collecting or receiving cash.

This report is intended solely for the information and use of the Council and the management of the City of Lafayette, Oregon, and the State of Oregon and is not intended to be used and should not be used by anyone other than these specified parties.

GREGOR PROFESSIONAL CORPORATION
Certified Public Accountants



By
John Gregor, President

Eugene, Oregon
November 3, 2000